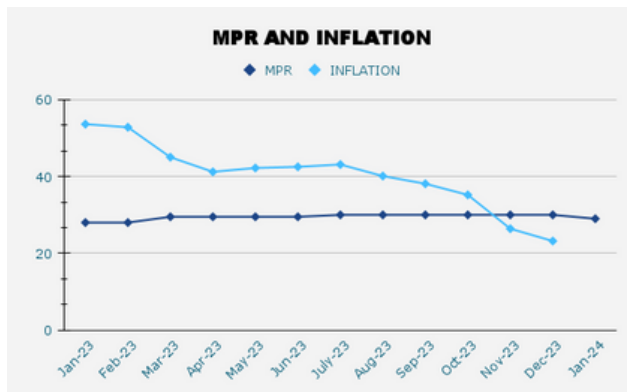
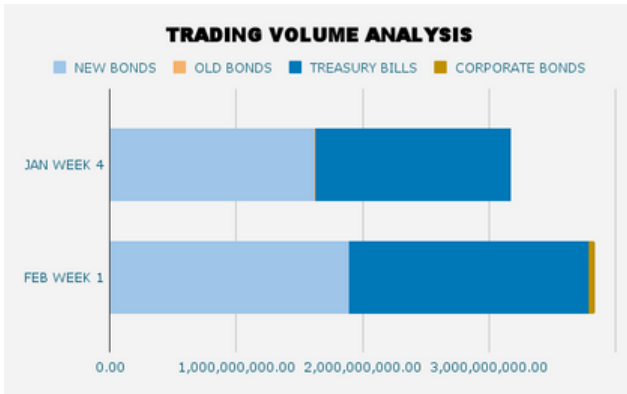


Weekly Market Brief



Key Economic Indicators	2021	2022*	2023*	2024F
Headline Inflation (%)	12.6	54.1	23.2	15.0
Monetary Policy Rate (%)	14.5	27.0	29.0	
GDP Growth Rate (%)	6.1	3.7	2.0	2.8
FX Reserves (\$bn)	9.7	6.2	5.9	-
FX Reserves Cover (Months)	4.3	2.7	2.7	3.0
Total Debt (% GDP)	79.20	92.40	93.5	

*Provisional figures

Treasury Bill Auction Results

The Treasury Bill Auction witnessed an increase in demand, with an oversubscription of GH¢ 1.667 billion, equivalent to 58.26% of the target. GH¢ 4.528 billion was approved against a target of GH¢ 2.861 billion and a maturing debt of GH¢ 2.670 billion. The weighted average interest rates for the 91-day, 182-day, and 364-day tenors were 28.30% (-29bps), 30.79% (-30bps), and 31.40% (-40bps) respectively.

Central Bank raises GHS 1.6 billion via 56-day maturity bill

The Bank of Ghana recently raised GHS 1.6 billion through the issuance of its own bills, with a 56-day maturity period, at an interest rate of 28.99 percent. This auction, held on January 31, 2024, signifies the central bank's ability to regulate money supply and manage liquidity in the banking system. While specific bid values weren't disclosed, the outcome underscores the central bank's success in attracting funding from the domestic financial market to support its monetary policy objectives. BoG bills are commonly used in Open Market Operations (OMO), a tool for influencing the economy by adjusting money supply. Through OMO, the central bank can control the cost and availability of credit, thereby impacting economic activity.

14 BDCs purchase \$20m for fuel imports in recent BoG forward forex auction

On January 30, 2024, Bulk Oil Distribution Companies (BDCs) engaged in a significant transaction with the Bank of Ghana (BoG), acquiring \$20 million at a rate of GHS 12.39 per US dollar through a forex forward auction. This marks the second auction in the first quarter of 2024, with fourteen BDCs participating and aligning bids strategically with the BoG's rate to stabilize fuel prices. The BoG's commitment of \$120 million for such auctions underscores its dedication to supporting BDCs involved in fuel imports and maintaining price stability. However, on February 1, 2024, fuel prices saw a 2.3% increase due to cedi depreciation and international market price rises. TOTAL, a leading OMC, sold petrol and diesel at GHS 12.39 and GHS 13.19 per liter, respectively.

Gold rush in Dollar Power: Govt seeks investors for large-scale mining

The Minister for Lands and Natural Resources calls for investor partnerships to explore Dollar Power's gold deposits responsibly. Steps include infrastructure development, small-scale mining regularization, and promoting sustainable large-scale mining. The community supports these efforts, suggesting additional measures for economic growth and environmental protection. Geological surveys highlight significant gold reserves in the area, challenging traditional perceptions.

Nigeria lifts forex caps to woo billions from residents abroad

Nigeria's central bank has relaxed rules on international money transfers to attract more funds from citizens abroad. International Money Transfer Operators (IMTOs) can now quote naira exchange rates based on prevailing market rates, eliminating previous caps. This move aims to enhance competition with unofficial currency markets, where rates are typically more favorable. With Nigerians remitting \$20.1 billion in 2022, addressing transactions conducted outside official channels is crucial to mitigating forex scarcity and naira depreciation. The central bank's actions align with broader efforts to unify currency markets and attract investor inflows by stepping back from direct currency management.

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Sources: Bank of Ghana, Ministry of Finance, Bloomberg, Reuters, dmarketforces.com, norvanreports.com, citibusinessnews.com, cnbc.com, Graphic.com.gh